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THE HONOURABLE SRI JUSTICE GODA RAGHURAM

WRIT PETITION NO.4700 OF 2006

Between:

P.Rajeswara Rao son of Late Venkata Swamy and another

….Petitioners

vs.

State Bank of Hyderabad, Prasanthnagar,Hyderabad rep. By its Branch Manager and two others.

….Respondents

THE HONOURABLE SRI JUSTICE GODA RAGHURAM

WRIT PETITION NO.4700 OF 2006

ORAL ORDER

The writ petition is misconceived.

The petitioners' claim to be the owner of a house property in Prasanthnagar, Malkajgiri, Secunderabad. The premises were leased to the 1st respondent-Bank for its branch office in April-1993 under a registered lease deed at a stipulated rent and for a stipulated period subject to a clause for enhancement of the rent after a stipulated time. According to the petitioners while entering upon the lease, the 1st respondent-Bank requested them to construct two(2) strong rooms and for the said purpose agreed to sanction an interest free loan. The petitioners obtained a loan of Rs.5 lakhs and constructed the strong rooms. The petitioners allege that notwithstanding the initial promise the 1st respondent-Bank nevertheless started charging interest for the loan. The petitioners initially paid interest @ 20.75% it was thereafter scaled down to 16@ at the intervention of Reserve Bank of India. The petitioners' complaint is also that all the lease amounts were being adjusted towards loan installments payable by the petitioners to the 1st respondent-Bank. The petitioners also allege that after the efflux of initial lease period the 1st respondent-Bank has also agreed to extend the relationship for a further period of ten(10) years on enhanced rent. In pursuance of this tentative agreement, the petitioners sent up a draft lease deed stipulating the rent for the scheduled premises at Rs.17,746/- for the period 01-04-2003 to 31-03-2008 and thereafter for enhancement of 25% on the aforesaid amount for the period 01-04-2008 to 31-03-2013. According to the petitioners the 1st respondent-Bank unofficially agreed to the extension of lease but did not formally execute the lease deed for the extended period. The petitioners' current grievance is that the 1st respondent-Bank has reneged upon all its earlier promises and is now out to take another property on lease and has thus violated the agreement between the parties.

It is neither pleaded, urged nor demonstrated before this Court that the relationship between the petitioners and the 1st respondent-Bank is founded upon any statutory contract. Discernibly relationship between the parties is on the basis of a non-statutory contract and the disputes urged are post contractual disputes. Such disputes do not have an adjudicative disposition before this Court under Article 226 of the Constitution vide **Radhakrishna Agarwal Vs. State of Bihar**().

For the aforesaid reasons there are no merits. The writ petition is dismissed at the stage of admission. However, the petitioners are at liberty to pursue their appropriate remedies before the Civil Court of competent jurisdiction for appropriate relief. No

order as to costs.

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GODA RAGHURAM,J

16TH MARCH 2006

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